

Economic Growth

- » Economic growth in the Northern Territory tends to be volatile from year to year. The small size of the economy means large, typically resource-based projects can have a substantial impact on investment and income streams.
- » The Territory economy grew by 6 per cent in 2004-05, with strong growth in consumption and investment boosted by major projects.
- » In 2005-06, gross state product (GSP) grew by a further 7.5 per cent with strengthening consumption, and a substantial increase in business investment associated with major resource projects, along with the commencement of LNG exports.
- » The major influence on estimated GSP growth of 7.2 per cent in 2006-07 is strong export activity, along with a significant decline in imports. Peak production of LNG, along with peak production at the Bayu-Undan fields (gas, condensate and liquid petroleum gas), and increased alumina production from Alcan, are the major contributors to growth.
- » Economic growth is forecast to continue in 2007-08 with growth of 3.7 per cent. Business investment levels will return to more usual levels as the Alcan expansion is completed. Exports are expected to stabilise as peak production is reached.

Summary of Territory Economic Indicators

	2002-03 % ch	2003-04 % ch	2004-05 % ch	2005-06 % ch	2006-07e % ch	2007-08f % ch
Real GSP	0.2	0.2	6.0	7.5	7.2	3.7
Resident Employment	-0.1	-2.2	-2.0	4.0	4.4	2.3
Population ¹	0.1	0.3	1.2	2.0	1.6	1.4
Darwin CPI ²	2.2	2.1	1.6	2.6	4.4	3.0

e: estimate; f: forecast

1 As at December, annual percentage change (compares latest quarter with the same quarter in previous year)

2 As at December, year on year percentage change (compares latest 12 months to previous 12 months)

Source: ABS Cat. Nos 6202.0, 3101.0, 6401.0, 5220.0 and NT Treasury